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## DEPARTMENT OF ENERGY

(OE Docket No. PP-387)

Application for Presidential Permit; Soule River Hydroelectric Project

AGENCY: Office of Electricity Delivery and Energy Reliability, DOE.

ACTION: Notice of Application.

<u>SUMMARY:</u> Soule Hydro, LLC (Soule Hydro) has applied for a Presidential permit to construct, operate, maintain, and connect an electric transmission line across the United States border with Canada.

<u>DATES:</u> Comments, protests, or motions to intervene must be submitted on or before [insert date 30 days after date of publication in the *Federal Register*].

<u>ADDRESSES:</u> Comments, protests, or motions to intervene should be addressed as follows: Brian Mills, Office of Electricity Delivery and Energy Reliability (OE-20), U.S. Department of Energy, 1000 Independence Avenue, S.W., Washington, D.C. 20585.

FOR FURTHER INFORMATION CONTACT: Brian Mills (Program Office) at 202-586-8267 or via electronic mail at <a href="mailto:Brian.Mills@hq.doe.gov">Brian Mills (Program Office)</a> at 202-586-8267 Adviser) at 202-586-0503 or via electronic mail at <a href="Katherine.Konieczny@hq.doe.gov">Katherine.Konieczny@hq.doe.gov</a>.

<u>SUPPLEMENTARY INFORMATION:</u> The construction, operation, maintenance, and connection of facilities at the international border of the United States for the transmission of electric energy between the United States and a foreign country is prohibited in the absence of a Presidential permit issued pursuant to Executive Order (EO) 10485, as amended by EO 12038.

On March 18, 2013, Soule Hydro filed an application with the Office of Electricity Delivery and Energy Reliability of the Department of Energy (DOE) for a Presidential Permit. Soule Hydro is a limited liability corporation, organized and existing in the State of Delaware. Alaska Power & Telephone Company (AP&T) is the parent company and sole shareholder for Soule Hydro.

Soule Hydro proposes to construct and operate a high-voltage alternating current (HVAC) hydroelectric transmission line that is to originate on the Soule River, on Portland Canal in Southeast Alaska, and continue to the BC Hydro Stewart Substation on the north side of Stewart, British Columbia. It would occupy federal land administered by the Ketchikan-Misty Fjords Ranger District of the U.S. Forest Service (Forest Service). The proposed Soule River Hydroelectric Project (the "Project") would be capable of transmitting up to 77.4 megawatts (MW) of power.

The Alaska portion of the Project would be an 8-mile long, 138 kilovolt (kV) HVAC 3-phase submarine cable that would be laid on the floor of Portland Canal off the community of Hyder, Alaska, waterfront before it would cross the international boundary and extend approximately 2 miles to land at Stewart, B.C. Arrow Dock.

The transmission line would eventually transition to overhead and terminate at the BC Hydro Stewart Substation approximately 2.5 miles from the cable landing.

Soule Hydro represents that the Project's precise final route would be subject to a number of factors, including resource issues, permitting, land acquisition, and stakeholder agreement.

The approximately 8-mile-long portion of the Project located within the United States as well as the approximately 4.5 miles of transmission infrastructure in Canada would be owned and operated by Soule Hydro.

Since the restructuring of the electric industry began, resulting in the introduction of different types of competitive entities into the marketplace, DOE has consistently expressed its policy that cross-border trade in electric energy should be subject to the same principles of comparable open access and non-discrimination that apply to transmission in interstate commerce. DOE has stated that policy in export authorizations granted to entities requesting authority to export over international transmission facilities. Specifically, DOE expects transmitting utilities owning border facilities to provide access across the border in accordance with the principles of comparable open access and non-discrimination contained in the Federal Power Act and articulated in Federal Energy Regulatory Commission (FERC) Order No. 888 (Promoting Wholesale Competition Through Open Access Non-Discriminatory Transmission Services by Public Utilities; FERC Stats. & Regs. ¶31,036 (1996)), as amended. In furtherance of this policy, DOE invites comments on whether it would be appropriate to condition any Presidential permit issued in this proceeding on compliance with these open access principles.

PROCEDURAL MATTERS: Any person may comment on or protest this application by filing such comment or protest at the address provided above in accordance with Rule 211 of FERC's Rules of Practice and Procedure (18 CFR 385.211). Any person seeking to become a party to this proceeding must file a motion to intervene at the address provided above in accordance with Rule 214 of FERC's Rules of Practice and Procedure (18 CFR 385.214). Fifteen copies of each comment, protest, or motion to intervene should be filed with DOE on or before the date listed above.

Additional copies of such comment, protest, or motion to intervene should also be filed directly with: Mr. Robert S. Grimm, CEO/President, Soule Hydro, LLC, c/o Alaska Power & Telephone Company, 193 Otto Street, P.O. Box 3222, Port Townsend, WA 98368.

Before a Presidential permit may be issued or amended, DOE must determine that the proposed action is in the public interest. In making that determination, DOE considers the environmental impacts of the proposed project pursuant to the National Environmental Policy Act of 1969, determines the project's impact on electric reliability by ascertaining whether the proposed project would adversely affect the operation of the U.S. electric power supply system under normal and contingency conditions, and considers any other factors that may also be relevant to the public interest. DOE must obtain the concurrences of the Secretary of State and the Secretary of Defense before taking final action on a Presidential permit application.

Copies of this application will be made available, upon request, for public inspection and copying at the address provided above, by accessing the program website at <a href="http://www.oe.energy.gov/permits\_pending.htm">http://www.oe.energy.gov/permits\_pending.htm</a>, or by emailing Angela Troy at angela.troy@hq.doe.gov.

Issued in Washington, D.C., on July 24, 2013.

Brian Mills
Director, Permitting and Siting
Office of Electricity Delivery and
Energy Reliability

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